

Health plan responsibilities

Health plans should announce their contingency plans as soon as possible to allow their trading partners enough time to make any needed adaptations to their business operations. Before deploying a contingency plan, organizations should make an assessment of their outreach and testing efforts to assure they made a "good faith" effort to comply.

For example, Medicare – a covered entity and a health plan – is ready to accept HIPAA-compliant transactions. CMS has directed the Medicare contractors to intensify all HIPAA outreach and testing efforts with their respective provider and submitter communities. On September 23, 2003 CMS also announced that it will implement a contingency plan for the Medicare program to accept noncompliant electronic transactions after the October 16, 2003 compliance deadline. This plan will ensure continued processing of claims from thousands of providers who will not be able to meet the deadline and otherwise would have had their Medicare claims rejected. CMS made the decision to implement its contingency plan after reviewing statistics showing unacceptably low numbers of compliant claims being submitted.

The contingency plan permits CMS to continue to accept and process claims in the electronic formats now in use, giving providers additional time to complete the testing process. CMS will regularly reassess the readiness of its trading partners to determine how long the contingency plan will remain in effect.